

§968.315 before it can request emergency assistance from this reserve. Emergency reserve funds may not be provided to a CIAP PHA unless it does not have the necessary funds available from any other source, including unobligated CIAP, and no CIAP modernization funding is available from HUD for the remainder of the fiscal year.

(2) *Procedure.* To obtain emergency funds, a PHA must submit a request, in a form to be prescribed by HUD, which demonstrates that without the requested funds from the set-aside, the PHA does not have adequate funds available to correct the conditions which present an immediate threat to the health or safety of the residents. HUD will immediately process a request for such assistance and, if it determines that the PHA's request meets the requirements under paragraph (a)(1) of this section, it shall approve the request, subject to the availability of funds in the reserve;

(3) *Repayment.* A CGP PHA that receives assistance for its emergency needs from the reserve under §968.103(b) must repay such assistance from its future allocations of assistance, where available. For CGP PHAs, HUD shall deduct up to 50 percent of a PHA's succeeding year's formula allocation under §968.103 (e) and (f) to repay emergency funds previously provided by HUD to the PHA. The remaining balance, if any, shall be deducted from a PHA's succeeding years' formula allocations. A CIAP PHA is not required to repay assistance for its emergency needs from the reserve.

(b) *Natural and other disasters—(1) Eligibility for assistance.* A PHA (including a PHA that has been designated as mod troubled under PHMAP) may request assistance at any time from the reserve established under §968.103(b) for the purpose of permitting the PHA to address a natural or other disaster. To qualify for assistance, the disaster must pertain to an extraordinary event affecting only one or a few PHAs, such as an earthquake or hurricane. Any disaster declared by the President (or which HUD determines would qualify for a Presidential declaration if it were on a larger scale) qualifies for assistance under this paragraph. A PHA may receive funds from the reserve regard-

less of the availability of other modernization funds or reserves, but only to the extent that its needs are in excess of its insurance coverage or other Federal assistance. A CGP PHA is not required to have an approved comprehensive plan under §968.315 before it can request assistance from the reserve under §968.103(b);

(2) *Procedure.* To obtain funding for natural or other disasters under §968.103(b), a PHA must submit a request, in a form to be prescribed by HUD, which demonstrates that the PHA meets the requirements of paragraph (b)(1) of this section. HUD will immediately process a request for such assistance and, if it determines that the request meets the requirements under paragraph (b)(1) of this section, it shall approve the request, subject to the availability of funds in the reserve;

(3) *Repayment.* Funds provided to a PHA under §968.103(b) for natural and other disasters are not required to be repaid.

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#### §968.105 Definitions.

The terms *HUD* and *Public Housing Agency (PHA)* are defined in 24 CFR part 5.

*Act.* The United States Housing Act of 1937, as amended, (42 U.S.C. 1437 et seq.).

*Annual contributions contract (ACC).* A contract under the Act between HUD and the PHA containing the terms and conditions under which the Department assists the PHA in providing decent, safe, and sanitary housing for low-income families. The ACC must be in a form prescribed by HUD under which HUD agrees to provide assistance in the development, modernization, and/or operation of a low-income housing project under the Act, and the PHA agrees to develop, modernize, and operate the project in compliance with all provisions of the ACC and the Act, and all HUD regulations and implementing requirements and procedures.

*CGP.* The Comprehensive Grant Program, which provides modernization funds on a formula basis to PHAs with 250 or more public housing units.

*CIAP.* The Comprehensive Improvement Assistance Program, which provides modernization funds on a competitive basis to PHAs with fewer than 250 public housing units.

*Development.* The term *development* has the same meaning as that provided for *low-income housing project*, as that term is defined in section 3(b)(1) of the Act.

*FFY.* Federal fiscal year.

*Force account labor.* Labor employed directly by the PHA on either a permanent or a temporary basis. See § 968.120.

*Hard costs.* The physical improvement costs in development accounts 1450 through 1475 of the Low-Rent Housing Accounting Handbook 7510.1, as revised, which include: Account 1450 Site Improvements; Account 1460 Dwelling Structures; Account 1465.1 Dwelling Equipment—Nonexpendable; Account 1470 Nondwelling Structures; and Account 1475 Nondwelling Equipment.

*Homebuyer agreement.* A Turnkey III Homebuyer Ownership Opportunity Agreement.

*Modernization funds.* Funds derived from an allocation of budget authority for the purpose of funding physical and management improvements.

*Modernization program.* A PHA's program for carrying out modernization, as set forth in the approved CIAP budget or CGP Annual Statement.

*Modernization project.* The improvement of one or more existing public housing developments under a unique number designated for that modernization program. For each modernization project, HUD and the PHA shall enter into an ACC amendment, requiring low-income use of the housing for not less than 20 years from the date of the ACC amendment (subject to sale of homeownership units in accordance with the terms of the ACC). The terms "modernization project number" and "comprehensive grant number" are used interchangeably.

*Non-routine maintenance.* Work items that ordinarily would be performed on a regular basis in the course of upkeep of property, but have become substantial in scope because they have been put off, and involve expenditures that would otherwise materially distort the level trend of maintenance expenses. Replacement of equipment and mate-

rials rendered unsatisfactory because of normal wear and tear by items of substantially the same kind does qualify, but reconstruction, substantial improvement in the quality or kind of original equipment and materials, or remodeling that alters the nature or type of housing units does not qualify.

*Partnership process.* A specific and ongoing process that is designed to ensure that residents, resident groups, and the PHA work in a cooperative and collaborative manner to develop, implement and monitor the CIAP or CGP. At a minimum, a PHA shall ensure that the partnership process incorporates full resident participation in each of the required program components.

*PHMAP.* The Public Housing Management Assessment Program (PHMAP) is a process designed to allow HUD and the PHA to identify PHA management capabilities and deficiencies, and to lead to overall better management of the public housing program, in accordance with 24 CFR part 901.

*Reasonable cost.* Total unfunded hard cost needs for a development that do not exceed 90 percent of the computed Total Development Cost (TDC) for a new development with the same structure type and number and size of units in the market area.

*Soft costs.* The non-physical improvement costs which exclude any costs in development accounts 1450 through 1475.

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#### **§ 968.108 Displacement, relocation, and real property acquisition.**

(a) *Minimizing displacement.* Consistent with the other goals and objectives of this part, PHAs must assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, non-profit organizations, and farms) as a result of a project assisted under this part.

(b) *Temporary relocation.* Residents who will not be required to move permanently, but who must relocate temporarily (e.g., to permit rehabilitation), shall be provided: